

Executive Summary – Enforcement Matter – Case No. 47162
LONESTAR ECOLOGY LLC
RN100661453
Docket No. 2013-1275-IHW-E

Order Type:

1660 Agreed Order

Findings Order Justification:

N/A

Media:

IHW

Small Business:

Yes

Location(s) Where Violation(s) Occurred:

Lonestar Ecology, 12901 Baypark Road, Suite A, Pasadena, Harris County

Type of Operation:

Hazardous waste processing and storage facility

Other Significant Matters:

Additional Pending Enforcement Actions: No

Past-Due Penalties: No

Other: N/A

Interested Third-Parties: None

Texas Register Publication Date: December 20, 2013

Comments Received: No

Penalty Information

Total Penalty Assessed: \$46,889

Amount Deferred for Expedited Settlement: \$9,377

Amount Deferred for Financial Inability to Pay: \$0

Total Paid to General Revenue: \$18,756

Total Due to General Revenue: \$0

Payment Plan: N/A

SEP Conditional Offset: \$6,756

Name of SEP: Armand Bayou Nature Center

SEP Conditional Offset: \$6,000

Name of SEP: Galveston Bay Foundation - "Marsh Mania"

SEP Conditional Offset: \$6,000

Name of SEP: Bayou Land Conservancy *fka Legacy Land Trust*

Compliance History Classifications:

Person/CN - Satisfactory

Site/RN - Satisfactory

Major Source: Yes

Statutory Limit Adjustment: N/A

Applicable Penalty Policy: September 2011

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LONESTAR ECOLOGY LLC
RN100661453
Docket No. 2013-1275-IHW-E

Investigation Information

Complaint Date(s): N/A

Complaint Information: N/A

Date(s) of Investigation: February 20, 2013

Date(s) of NOE(s): June 28, 2013

Violation Information

1. Failed to construct the Facility's wastewater treatment system in accordance with the design and construction specifications of the permit. Specifically, the Respondent did not obtain approval prior to making construction changes while accepting and processing third-party waste [30 TEX. ADMIN. CODE §§ 305.144 and 305.69, and Industrial and Hazardous Waste ("IHW") Permit No. 50207, Provision II.A.1 and A.6].
2. Failed to store third-party wastes accepted for storage in units permitted for storage. Specifically, 51,784 pounds of hazardous and 34,750 pounds of Class 1 third-party waste were not stored in units that were permitted to accept wastes from third-party sources [30 TEX. ADMIN. CODE § 335.2(b), 40 CODE OF FEDERAL REGULATIONS ("CFR") § 270.1(c), and IHW Permit No. 50207, provision V.A.1].
3. Failed to submit a complete and accurate annual waste summary. Specifically, the Respondent submitted annual waste summary but did not reflect the generation of wastewater [30 TEX. ADMIN. CODE § 335.9(a)(2)].
4. Failed to conduct hazardous waste determinations and classifications. Specifically, waste determinations and classifications were not conducted on two waste streams [30 TEX. ADMIN. CODE §§ 335.62 and 335.503, and 40 CFR § 262.11].
5. Failed to conduct daily inspections of the Bulk Unloading Area ("BUA"). Specifically, the Respondent did not conduct 12 daily inspections of the BUA after it was approved for storage on February 7, 2013 [30 TEX. ADMIN. CODE § 335.152, 40 CFR § 264.15, and IHW Permit No. 50207, Permit Provision III.D.].
6. Failed to conduct weekly inspections of a container storage area. Specifically, weekly inspections were not conducted on the Notice of Registration Unit No. 220 for the weeks of April 12, 2012 and November 8, 2012 [30 TEX. ADMIN. CODE §§ 335.69(a)(1)(A) and 335.112(a), and 40 CFR §§ 262.34(a)(1)(i) and 265.174].
7. Failed to provide a 24-hour surveillance system, to monitor and control entry into the Facility. Specifically, the Facility's gate was left open and there was no camera system monitoring the gate as required by the permit [30 TEX. ADMIN. CODE § 335.152(a)(1), 40 CFR § 364.14(b)(1), and IHW Permit No. 50207, Provision III.C.1].

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Corrective Actions/Technical Requirements

Corrective Action(s) Completed:

The Respondent has implemented the following corrective measures:

- a. Modified the construction of the wastewater treatment system to meet the approved construction plans in the permit on July 24, 2012;
- b. Began storage of third-party wastes in the permitted BUA and Drum Storage Area on February 7, 2013;
- c. Submitted an amended annual waste summary on March 25, 2013;
- d. Conducted the waste determinations and classification on two waste streams on March 6, 2013;
- e. Began daily inspections of the BUA on February 21, 2013;
- f. Implemented procedures to conduct weekly inspections of the Notice of Registration Unit No. 220 on March 7, 2013; and
- g. Repaired the gate so that it closes automatically and installed a 24-hour surveillance camera system to control entry into the Facility on May 7, 2013.

Technical Requirements:

The Order will require the Respondent to implement and complete three Supplemental Environmental Projects ("SEPs"). (See SEP Attachments A, B, and C)

Litigation Information

Date Petition(s) Filed: N/A

Date Answer(s) Filed: N/A

SOAH Referral Date: N/A

Hearing Date(s): N/A

Settlement Date: N/A

Executive Summary – Enforcement Matter – Case No. 47162
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Contact Information

TCEQ Attorney: N/A

TCEQ Enforcement Coordinator: Mike Pace, Enforcement Division, Enforcement Team 6, MC R-04, (817) 588-5933; Candy Garrett, Enforcement Division, MC 219, (512) 239-1456

TCEQ SEP Coordinator: Stuart Beckley, SEP Coordinator, Enforcement Division, MC 219, (512) 239-3565

Respondent: Larry Peyton, Chief Executive Officer, LONESTAR ECOLOGY LLC, P.O. Box 5705, Pasadena, Texas 77508

Respondent's Attorney: N/A

Attachment A
Docket Number: 2013-1275-IHW-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	LONESTAR ECOLOGY LLC
Penalty Amount:	Thirty-Seven Thousand Five Hundred Twelve Dollars (\$37,512)
SEP Offset Amount:	Six Thousand Seven Hundred Fifty-Six Dollars (\$6,756)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Armand Bayou Nature Center
Project Name:	Coastal Tall Grass Management - Prescribed Burn Program and Prairie Restoration
Location of SEP:	Harris County

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

Respondent shall contribute to the SEP offset amount to the Third-Party Administrator named above. The contribution will be to Armand Bayou Nature Center to be used for the Coastal Tall Grass Management-Prescribed Burn Program and Prairie Restoration Project Program as set forth in an agreement between the Third-Party Administrator and the TCEQ. Specifically, the contribution will be used to pay for the labor and materials costs associated with conducting prescribed burns, removing non-native trees, for planting native trees and plants, and administrative costs.

Respondent certifies that there is no prior commitment to conduct this project and that it is being performed solely in an effort to settle this enforcement action.

b. Environmental Benefit

LONESTAR ECOLOGY LLC
Agreed Order - Attachment A

This SEP will provide a discernible environmental benefit by increasing ecosystem functionality. It will contribute to the overall prairie health by suppressing invasive brush species, increasing soil fertility, and promoting plant vigor.

c. Minimum Expenditure

Respondent shall contribute at least the SEP amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, Respondent must contribute the SEP amount to the Third-Party Administrator. Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Armand Bayou Nature Center, Inc.
Attn: Mark Kramer, Stewardship Coordinator
P.O. Box 58828
Houston, Texas 77258

3. Records and Reporting

Concurrent with the payment of the SEP amount, Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP amount to the Third-Party Administrator. Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

LONESTAR ECOLOGY LLC
Agreed Order - Attachment A

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

5. Publicity

Any public statements concerning this SEP made by or on behalf of Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

Attachment B
Docket Number: 2013-1275-IHW-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	LONESTAR ECOLOGY LLC
Penalty Amount:	Thirty-Seven Thousand Five Hundred Twelve Dollars (\$37,512)
SEP Amount:	Six Thousand Dollars (\$6,000)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Galveston Bay Foundation - "Marsh Mania"
Location of SEP:	Harris and Chambers Counties

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment B.

1. Project Description

a. Project

Respondent shall contribute the SEP offset amount to the Third-Party Administrator named above. The contribution will be to Galveston Bay Foundation to be used for the Galveston Bay Foundation "Marsh Mania" as set forth in the agreement between the Third-Party Administrator and the TCEQ. SEP monies will be used to restore shoreline elevations, growing plants for shoreline restoration, and planting new habitat. Historic subsidence and erosion have resulted in shoreline elevations which are too low to support vegetation. This project will seek to raise elevations by scraping and terracing. Scraping involves the use of earthmoving equipment to grade an eroded, bluff-like shoreline so that it slopes gradually towards the water resulting in the ability of plant growth. Terracing uses earth-moving equipment to create small levees by burrowing and stacking sediment in shallow water. The high elevation can then be planted with emergent vegetation. SEP monies will be used to pay for the costs of the execution of the project, including material, equipment, administrative, and labor costs.

Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

b. Environmental Benefit

This SEP will provide a discernible environmental benefit by providing food and shelter for a variety of native fish, shellfish, birds, and mammals. The marshes will also result in the reduction of pollution by filtering particulates and excess nutrients from runoff. In addition, the new habitat will protect shorelines from erosion and will help reduce the effects of flooding.

c. Minimum Expenditure

Respondent shall contribute at least the SEP amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, Respondent must contribute the SEP amount to the Third-Party Administrator. Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Bob Stokes, President
Galveston Bay Foundation
17330 Highway 3
Webster, Texas 77598

3. Records and Reporting

Concurrent with the payment of the SEP amount, Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Administrator. Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP amount.

LONESTAR ECOLOGY LLC
Agreed Order - Attachment B

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Texas Commission on Environmental Quality
Financial Administration Division, Revenues
Attention: Cashier, MC 214
P.O. Box 13088
Austin, Texas 78711-3088

Respondent shall also mail a copy of the check to the Enforcement Division SEP Coordinator at the address in Section 3 above.

5. Publicity

Any public statements concerning this SEP made by or on behalf of Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

Attachment C
Docket Number: 2013-1275-IHW-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	LONESTAR ECOLOGY LLC
Penalty Amount:	Thirty-Seven Thousand Five Hundred Twelve Dollars (\$37,512)
SEP Offset Amount:	Six Thousand Dollars (\$6,000)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Bayou Land Conservancy <i>fka Legacy Land Trust</i>
Project Name:	Spring Creek Greenway Project
Location of SEP:	Harris or Montgomery Counties

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for Respondent to contribute to a Supplemental Environmental Project (“SEP”). The SEP Offset Amount is set forth above and such offset is conditioned upon completion of the project in accordance with the terms of this Attachment C.

1. Project Description

a. Project

Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Bayou Land Conservancy** for the *Spring Creek Greenway Project*. The contribution will be used in accordance with the SEP Agreement between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, this SEP will focus on preserving multiple tracts of land comprising approximately 1,000 acres in the riparian corridor east of Farm-to-Market Road 2978 and west of U.S. Highway 59. The Third-Party Administrator shall use SEP funds to acquire conservation easements on these tracts to provide permanent protection and stewardship of these lands and waters. The Third-Party Administrator shall also use SEP funds to conduct restoration work, including tree plantings, on these tracts, as needed. All property acquired in whole or in part with SEP funds must be preserved in perpetuity through a conservation easement that complies with Subchapter A, Chapter 183, Texas Natural Resources Code. The holder of the conservation easement must be an entity that meets the definition of “holder” under section 183.001(2), Texas Natural Resources Code. Additionally, the holder of the conservation easement may not also be the owner of the property. The Third-Party Administrator shall use only conservation easements that are substantially similar to the conservation easement described in the SEP Agreement between Third-Party Administrator and TCEQ. The Third-Party

Administrator shall not use or set aside SEP funds for legal defense of these properties without prior written approval of the TCEQ.

The SEP will be performed in accordance with all federal, state, and local environmental laws and regulations.

Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action.

b. Environmental Benefit

The preservation of open space in the Spring Creek Greenway Project area provides substantial environmental, economic, and community benefits for the region. Spring Creek is on the State's 303(d) list for water quality impairment due to bacteria. The sandy banks of Spring Creek have frequently been stripped of their native vegetation, increasing erosion potential and reducing wildlife habitat. However, for such a highly populated area, northern Harris and southern Montgomery Counties are still heavily forested. Protecting this forested area's trees, understory and wetlands helps absorb fertilizer, roadway runoff, and animal fecal matter from the nearby highly populated areas. Bio-filtration through these vegetated areas protects Spring Creek from non-point source water pollution by slowing the flow of run-off and assisting particulates and their associated pollutants to settle. As pollutants settle out via washover through these forests, they are immobilized, decomposed and absorbed back into the soil, instead of running off into the waterway. By preserving the natural vegetated banks, turbidity is reduced, and source water for recreation and human consumption is protected from further degradation before reaching the San Jacinto River, which feeds Lake Houston, a primary water source for Houston. Having vegetated areas remain protected along this area, while also increasing tree plantings through this project, will help protect this waterway from contaminants. Finally, the linking of open space enhances the conservation value of this greenway project by reversing land fragmentation.

c. Minimum Expenditure

Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator. Respondent shall mail the contribution, with a copy of the Agreed Order to:

LONESTAR ECOLOGY LLC
Agreed Order - Attachment C

Bayou Land Conservancy
Jennifer Lorenz, Executive Director
10330 Lake Road, Building J
Houston, Texas 77070

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount due to the Third-Party Administrator. Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If Respondent does not perform its obligations under this SEP agreement in any way, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the Executive Director ("ED") may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that Respondent failed to complete the project, Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and shall include on the check the docket number of this Agreed Order and note that it is for reimbursement of a SEP. Respondent shall make the check payable to "Texas Commission on Environmental Quality" and shall mail it to:

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP made by or on behalf of Respondent, must include a clear statement that the Project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Agreed Order has not been, and shall not be, included as a SEP for Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.



Penalty Calculation Worksheet (PCW)

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

TCEQ

DATES	Assigned	1-Jul-2013	Screening	2-Jul-2013	EPA Due	18-Oct-2013
	PCW	16-Oct-2013				

RESPONDENT/FACILITY INFORMATION

Respondent	LONESTAR ECOLOGY LLC
Reg. Ent. Ref. No.	RN100661453
Facility/Site Region	12-Houston
Major/Minor Source	Major

CASE INFORMATION

Enf./Case ID No.	47162	No. of Violations	7
Docket No.	2013-1275-IHW-E	Order Type	1660
Media Program(s)	Industrial and Hazardous Waste	Government/Non-Profit	No
Multi-Media		Enf. Coordinator	Mike Pace
		EC's Team	Enforcement Team 6
Admin. Penalty \$ Limit Minimum	\$0	Maximum	\$25,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties)	Subtotal 1	\$62,250
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ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History	0.0% Enhancement	Subtotals 2, 3, & 7	\$0
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Notes: No adjustment for compliance history.

Culpability	No	0.0% Enhancement	Subtotal 4	\$0
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Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply Total Adjustments	Subtotal 5	\$15,561
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Economic Benefit	0.0% Enhancement*	Subtotal 6	\$0
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Total EB Amounts	\$344
Approx. Cost of Compliance	\$14,829

*Capped at the Total EB \$ Amount

SUM OF SUBTOTALS 1-7	Final Subtotal	\$46,689
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OTHER FACTORS AS JUSTICE MAY REQUIRE	0.4%	Adjustment	\$200
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Reduces or enhances the Final Subtotal by the indicated percentage.

Notes: Recommended enhancement to capture the avoided cost of compliance associated with violation nos. 5 and 6.

Final Penalty Amount	\$46,889
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STATUTORY LIMIT ADJUSTMENT	Final Assessed Penalty	\$46,889
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DEFERRAL	20.0% Reduction	Adjustment	-\$9,377
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Reduces the Final Assessed Penalty by the indicated percentage. (Enter number only; e.g. 20 for 20% reduction.)

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY	\$37,512
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Screening Date 2-Jul-2013

Docket No. 2013-1275-IHW-E

PCW

Respondent LONESTAR ECOLOGY LLC

Policy Revision 3 (September 2011)

Case ID No. 47162

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100661453

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Mike Pace

Compliance History Worksheet

>> Compliance History Site Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written notices of violation ("NOVs") with same or similar violations as those in the current enforcement action (<i>number of NOVs meeting criteria</i>)	0	0%
	Other written NOVs	0	0%
Orders	Any agreed final enforcement orders containing a denial of liability (<i>number of orders meeting criteria</i>)	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government (<i>number of judgments or consent decrees meeting criteria</i>)	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government (<i>number of counts</i>)	0	0%
Emissions	Chronic excessive emissions events (<i>number of events</i>)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which notices were submitted</i>)	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 (<i>number of audits for which violations were disclosed</i>)	0	0%
Please Enter Yes or No			
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) 0%

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) 0%

>> Compliance History Person Classification (Subtotal 7)

Satisfactory Performer

Adjustment Percentage (Subtotal 7) 0%

>> Compliance History Summary

Compliance
History
Notes

No adjustment for compliance history.

Total Compliance History Adjustment Percentage (Subtotals 2, 3, & 7) 0%

>> Final Compliance History Adjustment

Final Adjustment Percentage *capped at 100% 0%

Screening Date 2-Jul-2013

Docket No. 2013-1275-IHW-E

PCW

Respondent LONESTAR ECOLOGY LLC

Policy Revision 3 (September 2011)

Case ID No. 47162

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100661453

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Mike Pace

Violation Number 1

Rule Cite(s) 30 Tex. Admin. Code §§ 305.144 and 305.69, and Industrial and Hazardous Waste "(IHW)" Permit No. 50207, Provision II.A.1 and A.6

Violation Description

Failed to construct the Facility's wastewater treatment system in accordance with the design and construction specifications of the permit. Specifically, the Respondent did not obtain approval prior to making construction changes while accepting and processing third-party waste.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor
	x		

Percent 15.0%

Matrix Notes

100% of the rule requirement was not met.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 1

124 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$3,750

One single event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$937

Extraordinary

Before NOV NOV to EDPRP/Settlement Offer

Ordinary

x

N/A

(mark with x)

Notes

The Respondent came into compliance on July 24, 2012, prior to the Notice of Enforcement ("NOE") June 28, 2013.

Violation Subtotal \$2,813

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$43

Violation Final Penalty Total \$2,825

This violation Final Assessed Penalty (adjusted for limits) \$2,825

Economic Benefit Worksheet

Respondent LONESTAR ECOLOGY LLC
Case ID No. 47162
Reg. Ent. Reference No. RN100661453
Media Industrial and Hazardous Waste
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction	\$1,800	22-Mar-2012	24-Jul-2012	0.34	\$2	\$41	\$43
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to modify the construction to meet the approved construction plans. The date required is the date the wastewater system began operation and the final date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,800

TOTAL

\$43

Screening Date 2-Jul-2013
Respondent LONESTAR ECOLOGY LLC
Case ID No. 47162

Docket No. 2013-1275-IHW-E

PCW

Policy Revision 3 (September 2011)

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100661453
Media [Statute] Industrial and Hazardous Waste
Enf. Coordinator Mike Pace

Violation Number 2

Rule Cite(s) 30 Tex. Admin. Code § 335.2(b), 40 Code of Federal Regulations ("CFR") § 270.1(c), and IHW Permit No. 50207, provision V.A.1

Violation Description

Failed to store third-party wastes accepted for storage in units permitted for storage. Specifically, 51,784 pounds of hazardous and 34,750 pounds of Class 1 third-party waste were not stored in units that were permitted to accept wastes from third-party sources.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential		x	

Percent 15.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment will or could be exposed to significant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$21,250

\$3,750

Violation Events

Number of Violation Events 3

202 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	x
	semiannual	
	annual	
	single event	

Violation Base Penalty \$11,250

Three quarterly events are recommended from the July 20, 2012 date of first storage of third-party wastes to the February 7, 2013 compliance date.

Good Faith Efforts to Comply

25.0% Reduction

\$2,812

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary	
Ordinary	x
N/A	(mark with x)

Notes

The Respondent came into compliance on February 7, 2013, prior the the NOE dated June 28, 2013.

Violation Subtotal \$8,438

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$54

Violation Final Penalty Total \$8,474

This violation Final Assessed Penalty (adjusted for limits) \$8,474

Economic Benefit Worksheet

Respondent LONESTAR ECOLOGY LLC
Case ID No. 47162
Reg. Ent. Reference No. RN100661453
Media Industrial and Hazardous Waste
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$1,937	20-Jul-2012	7-Feb-2013	0.55	\$54	n/a	\$54

Notes for DELAYED costs

Estimated cost to store third-party waste in permitted units. The date required is the first date of storage of third-party wastes in non-permitted units and the final date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$1,937

TOTAL

\$54

Screening Date 2-Jul-2013

Docket No. 2013-1275-IHW-E

PCW

Respondent LONESTAR ECOLOGY LLC

Policy Revision 3 (September 2011)

Case ID No. 47162

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100661453

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Mike Pace

Violation Number 3

Rule Cite(s) 30 Tex. Admin. Code § 335.9(a)(2)

Violation Description

Failed to submit a complete and accurate annual waste summary. Specifically, the submitted annual waste summary did not reflect the generation of wastewater.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			

Percent 0.0%

>> Programmatic Matrix

Falsification	Harm		
	Major	Moderate	Minor
			x

Percent 1.0%

Matrix Notes

25% of the rule requirement was not met.

Adjustment \$24,750

\$250

Violation Events

Number of Violation Events 1

24 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	
	semiannual	
	annual	
	single event	x

Violation Base Penalty \$250

One single event is recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$62

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes

The Respondent came into compliance on March 25, 2013, prior to the NOE date June 28, 2013.

Violation Subtotal \$188

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$2

Violation Final Penalty Total \$189

This violation Final Assessed Penalty (adjusted for limits) \$189

Economic Benefit Worksheet

Respondent LONESTAR ECOLOGY LLC
Case ID No. 47162
Reg. Ent. Reference No. RN100661453
Media Industrial and Hazardous Waste
Violation No. 3

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)	\$500	20-Feb-2013	25-Mar-2013	0.09	\$2	n/a	\$2

Notes for DELAYED costs

Estimated cost to submit an amended annual waste summary. The date required is the due date for submitting the annual waste summary and the final date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$500

TOTAL

\$2

Screening Date 2-Jul-2013
Respondent LONESTAR ECOLOGY LLC
Case ID No. 47162
Reg. Ent. Reference No. RN100661453
Media [Statute] Industrial and Hazardous Waste
Enf. Coordinator Mike Pace

Docket No. 2013-1275-IHW-E

PCW

Policy Revision 3 (September 2011)
PCW Revision August 3, 2011

Violation Number 4

Rule Cite(s)

30 Tex. Admin. Code §§ 335.62 and 335.503, and 40 CFR § 262.11

Violation Description

Failed to conduct hazardous waste determinations and classifications. Specifically, waste determinations and classifications were not conducted on two waste streams.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential	x		

Percent 30.0%

>> Programmatic Matrix

Falsification			
	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment will or could be exposed to pollutants which would exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 2

2 Number of violation days

mark only one
with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$15,000

Two single events (one event for each waste stream) are recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$3,750

	Before NOV		NOV to EDPRP/Settlement Offer
	Extraordinary	Ordinary	
		x	
N/A			(mark with x)

Notes

The Respondent came into compliance on March 6, 2013, prior to the NOE date June 28, 2013.

Violation Subtotal \$11,250

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$16

Violation Final Penalty Total \$11,298

This violation Final Assessed Penalty (adjusted for limits) \$11,298

Economic Benefit Worksheet

Respondent LONESTAR ECOLOGY LLC

Case ID No. 47162

Reg. Ent. Reference No. RN100661453

Media Industrial and Hazardous Waste

Violation No. 4

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling	\$8,400	20-Feb-2013	6-Mar-2013	0.04	\$16	n/a	\$16
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to conduct waste determinations and classifications on two waste streams (\$4,200 per waste stream). The date required is the investigation date and the final date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$8,400

TOTAL

\$16

Screening Date 2-Jul-2013

Docket No. 2013-1275-IHW-E

PCW

Respondent LONESTAR ECOLOGY LLC

Policy Revision 3 (September 2011)

Case ID No. 47162

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100661453

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Mike Pace

Violation Number 5

Rule Cite(s) 30 Tex. Admin. Code § 335.152, 40 CFR § 264.15, and IHW Permit No. 50207, Permit Provision III.D

Violation Description

Failed to conduct daily inspections of the Bulk Unloading Area ("BUA"). Specifically, the Respondent did not conduct 12 daily inspections of the BUA after it was approved for storage on February 7, 2013.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

	Release	Harm		
		Major	Moderate	Minor
Actual				
Potential				x

Percent 7.0%

>> Programmatic Matrix

	Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment will or could be exposed to insignificant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$23,250

\$1,750

Violation Events

Number of Violation Events 12

12 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$21,000

Twelve single events (one event for each inspection day missed) are recommended.

Good Faith Efforts to Comply

25.0%

Reduction

\$5,250

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes

The Respondent came into compliance on February 21, 2013, prior to the NOE date June 28, 2013.

Violation Subtotal \$15,750

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$100

Violation Final Penalty Total \$15,817

This violation Final Assessed Penalty (adjusted for limits) \$15,817

Economic Benefit Worksheet

Respondent LONESTAR ECOLOGY LLC
Case ID No. 47162
Reg. Ent. Reference No. RN100661453
Media Industrial and Hazardous Waste
Violation No. 5

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]	\$100	7-Feb-2013	21-Feb-2013	0.00	\$0	\$100	\$100
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Estimated avoided cost to conduct the daily inspections of the BUA. The date required is the first inspection due date, and the final date is the compliance date.

Approx. Cost of Compliance	\$100	TOTAL	\$100
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Screening Date 2-Jul-2013

Docket No. 2013-1275-IHW-E

PCW

Respondent LONESTAR ECOLOGY LLC

Policy Revision 3 (September 2011)

Case ID No. 47162

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100661453

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Mike Pace

Violation Number 6

Rule Cite(s) 30 Tex. Admin. Code §§ 335.69(a)(1)(A) and 335.112(a), and 40 CFR §§ 262.34(a)(1)(i) and 265.174

Violation Description

Failed to conduct weekly inspections of a container storage area. Specifically, weekly inspections were not conducted on the Notice of Registration Unit No. 220 for the weeks of April 12, 2012 and November 8, 2012.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential			x

Percent 7.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment will or could be exposed to insignificant amounts of pollutants which would not exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$23,250

\$1,750

Violation Events

Number of Violation Events 2

2 Number of violation days

mark only one with an x

daily	
weekly	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty \$3,500

Two single events are recommended.

Good Faith Efforts to Comply

25.0% Reduction

\$875

Before NOV NOV to EDPRP/Settlement Offer

Extraordinary	
Ordinary	x
N/A	(mark with x)

Notes

The Respondent came into compliance on March 7, 2013, prior to the NOE date June 28, 2013.

Violation Subtotal \$2,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$100

Violation Final Penalty Total \$2,636

This violation Final Assessed Penalty (adjusted for limits) \$2,636

Economic Benefit Worksheet

Respondent LONESTAR ECOLOGY LLC
Case ID No. 47162
Reg. Ent. Reference No. RN100661453
Media Industrial and Hazardous Waste
Violation No. 6

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
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No commas or \$

Delayed Costs

Equipment				0.00	\$0	\$0	\$0
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]	\$92	12-Apr-2012	7-Mar-2013	1.82	\$8	\$92	\$100
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Estimated cost to conduct the weekly inspections for Notice of Registration Unit No. 220. The date required is the investigation date and the final date is the compliance date.

Approx. Cost of Compliance	\$92	TOTAL	\$100
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Screening Date 2-Jul-2013

Docket No. 2013-1275-IHW-E

PCW

Respondent LONESTAR ECOLOGY LLC

Policy Revision 3 (September 2011)

Case ID No. 47162

PCW Revision August 3, 2011

Reg. Ent. Reference No. RN100661453

Media [Statute] Industrial and Hazardous Waste

Enf. Coordinator Mike Pace

Violation Number 7

Rule Cite(s) 30 Tex. Admin. Code § 335.152(a)(1), 40 CFR §364.14(b)(1), and IHW Permit No. 50207, Provision III.C.1

Violation Description

Failed to provide a 24-hour surveillance system to monitor and control entry into the Facility. Specifically, the Facility's gate was being left open and there was no camera system monitoring the gate as required by the permit.

Base Penalty \$25,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm		
	Major	Moderate	Minor
Actual			
Potential	x		

Percent 30.0%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent 0.0%

Matrix Notes

Human health or the environment will or could be exposed to pollutants which would exceed levels that are protective of human health or environmental receptors as a result of the violation.

Adjustment \$17,500

\$7,500

Violation Events

Number of Violation Events 1

76 Number of violation days

mark only one with an x	daily	
	weekly	
	monthly	
	quarterly	x
	semiannual	
	annual	
	single event	

Violation Base Penalty \$7,500

One quarterly event is recommended from the February 20, 2013 investigation date to the May 7, 2013 compliance date.

Good Faith Efforts to Comply

25.0% Reduction

\$1,875

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		(mark with x)

Notes

The Respondent came into compliance on May 7, 2013, prior to the NOE date June 28, 2013.

Violation Subtotal \$5,625

Economic Benefit (EB) for this violation

Statutory Limit Test

Estimated EB Amount \$29

Violation Final Penalty Total \$5,649

This violation Final Assessed Penalty (adjusted for limits) \$5,649

Economic Benefit Worksheet

Respondent LONESTAR ECOLOGY LLC
Case ID No. 47162
Reg. Ent. Reference No. RN100661453
Media Industrial and Hazardous Waste
Violation No. 7

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
No commas or \$							

Delayed Costs

Equipment	\$2,000	20-Feb-2013	7-May-2013	0.21	\$1	\$28	\$29
Buildings				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0
Engineering/construction				0.00	\$0	\$0	\$0
Land				0.00	\$0	n/a	\$0
Record Keeping System				0.00	\$0	n/a	\$0
Training/Sampling				0.00	\$0	n/a	\$0
Remediation/Disposal				0.00	\$0	n/a	\$0
Permit Costs				0.00	\$0	n/a	\$0
Other (as needed)				0.00	\$0	n/a	\$0

Notes for DELAYED costs

Estimated cost to repair the gate and install a 24-hour surveillance camera system. The date required is the investigation date and the final date is the compliance date.

Avoided Costs

ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)

Disposal				0.00	\$0	\$0	\$0
Personnel				0.00	\$0	\$0	\$0
Inspection/Reporting/Sampling				0.00	\$0	\$0	\$0
Supplies/equipment				0.00	\$0	\$0	\$0
Financial Assurance [2]				0.00	\$0	\$0	\$0
ONE-TIME avoided costs [3]				0.00	\$0	\$0	\$0
Other (as needed)				0.00	\$0	\$0	\$0

Notes for AVOIDED costs

Approx. Cost of Compliance

\$2,000

TOTAL

\$29

The TCEQ is committed to accessibility.

To request a more accessible version of this report, please contact the TCEQ Help Desk at (512) 239-4357.



TCEQ Compliance History Report

PUBLISHED Compliance History Report for CN604010918, RN100661453, Rating Year 2012 which includes Compliance History (CH) components from September 1, 2007, through August 31, 2012.

Customer, Respondent, or Owner/Operator: CN604010918, LONESTAR ECOLOGY LLC **Classification:** SATISFACTORY **Rating:** 2.14

Regulated Entity: RN100661453, Lonestar Ecology **Classification:** SATISFACTORY **Rating:** 2.14

Complexity Points: 20 **Repeat Violator:** NO

CH Group: 11 - Waste Management (Excluding Landfills)

Location: 12901 BAYPARK RD STE A PASADENA, TX 77507-1100, HARRIS COUNTY

TCEQ Region: REGION 12 - HOUSTON

ID Number(s):

INDUSTRIAL AND HAZARDOUS WASTE EPA ID TXD010791184

INDUSTRIAL AND HAZARDOUS WASTE SOLID WASTE REGISTRATION # (SWR) 50207

INDUSTRIAL AND HAZARDOUS WASTE PERMIT 50207

INDUSTRIAL AND HAZARDOUS WASTE PERMIT

STORMWATER PERMIT TXR05AT36

WATER QUALITY NON PERMITTED ID NUMBER WQG600000

IHW CORRECTIVE ACTION SOLID WASTE REGISTRATION R12SW0031

AIR NEW SOURCE PERMITS REGISTRATION 103665 # (SWR) 50207

USED OIL EPA ID TXD010791184

USED OIL REGISTRATION A86154

POLLUTION PREVENTION PLANNING ID NUMBER P08435

Compliance History Period: September 01, 2007 to August 31, 2012 **Rating Year:** 2012 **Rating Date:** 09/01/2012

Date Compliance History Report Prepared: July 02, 2013

Agency Decision Requiring Compliance History: Enforcement

Component Period Selected: July 02, 2008 to July 02, 2013

TCEQ Staff Member to Contact for Additional Information Regarding This Compliance History.

Name: Mike Pace

Phone: (817) 588-5933

Site and Owner/Operator History:

- 1) Has the site been in existence and/or operation for the full five year compliance period? YES
- 2) Has there been a (known) change in ownership/operator of the site during the compliance period? NO
- 3) If **YES** for #2, who is the current owner/operator? N/A
- 4) If **YES** for #2, who was/were the prior owner(s)/operator(s)? N/A
- 5) If **YES**, when did the change(s) in owner or operator occur? N/A

Components (Multimedia) for the Site Are Listed in Sections A - J

A. Final Orders, court judgments, and consent decrees:

See addendum for information regarding federal actions.

B. Criminal convictions:

N/A

C. Chronic excessive emissions events:

N/A

D. The approval dates of investigations (CCEDS Inv. Track. No.):

Item 1	March 30, 2012	(993494)
Item 2	August 13, 2012	(1021872)

E. Written notices of violations (NOV) (CCEDS Inv. Track. No.):

A notice of violation represents a written allegation of a violation of a specific regulatory requirement from the commission to a regulated entity. A notice of violation is not a final enforcement action, nor proof that a violation has actually occurred.

N/A

F. Environmental audits:

N/A

G. Type of environmental management systems (EMSs):

N/A

H. Voluntary on-site compliance assessment dates:

N/A

I. Participation in a voluntary pollution reduction program:

N/A

J. Early compliance:

N/A

Sites Outside of Texas:

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY



**IN THE MATTER OF AN
ENFORCEMENT ACTION
CONCERNING
LONESTAR ECOLOGY LLC
RN100661453**

**§ BEFORE THE
§
§ TEXAS COMMISSION ON
§
§ ENVIRONMENTAL QUALITY**

AGREED ORDER DOCKET NO. 2013-1275-IHW-E

I. JURISDICTION AND STIPULATIONS

On _____, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding LONESTAR ECOLOGY LLC ("Respondent") under the authority of TEX. HEALTH & SAFETY CODE ch. 361 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and the Respondent together stipulate that:

1. The Respondent owns and operates a hazardous waste processing and storage facility at 12901 Baypark Road, Suite A in Pasadena, Harris County, Texas (the "Facility").
2. The Facility involves or involved the management of industrial hazardous waste ("IHW") as defined in TEX. HEALTH & SAFETY CODE ch. 361.
3. The Executive Director and the Respondent agree that the Commission has jurisdiction to enter this Agreed Order, and that the Respondent is subject to the Commission's jurisdiction.
4. The Respondent received notice of the violations alleged in Section II ("Allegations") on or about July 3, 2013.
5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by the Respondent of any violation alleged in Section II ("Allegations"), nor of any statute or rule.
6. An administrative penalty in the amount of Forty-Six Thousand Eight Hundred Eighty-Nine Dollars (\$46,889) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). The Respondent has paid Eighteen Thousand Seven Hundred Fifty-Six Dollars (\$18,756) of the administrative penalty and Nine Thousand

Three Hundred Seventy-Seven Dollars (\$9,377) is deferred contingent upon the Respondent's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If the Respondent fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive Director may require the Respondent to pay all or part of the deferred penalty. Eighteen Thousand Seven Hundred Fifty-Six Dollars (\$18,756) shall be conditionally offset by the Respondent's completion of three Supplemental Environmental Projects ("SEPs").

7. Any notice and procedures, which might otherwise be authorized or required in this action, are waived in the interest of a more timely resolution of the matter.
8. The Executive Director and the Respondent agree on a settlement of the matters alleged in this enforcement action, subject to final approval in accordance with 30 TEX. ADMIN. CODE § 70.10(a).
9. The Executive Director recognizes that the Respondent has implemented the following corrective measures at the Facility:
 - a. Modified the construction of the wastewater treatment system to meet the approved construction plans in the permit on July 24, 2012;
 - b. Began storage of third-party wastes in the permitted Bulk Unloading Area ("BUA") and Drum Storage Area on February 7, 2013;
 - c. Submitted an amended annual waste summary on March 25, 2013;
 - d. Conducted the waste determinations and classification on two waste streams on March 6, 2013;
 - e. Began daily inspections of the BUA on February 21, 2013;
 - f. Implemented procedures to conduct weekly inspections of the Notice of Registration Unit No. 220 on March 7, 2013; and
 - g. Repaired the gate so that it closes automatically, and installed a 24-hour surveillance camera system to control entry into the Facility on May 7, 2013.
10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that the Respondent has not complied with one or more of the terms or conditions in this Agreed Order.
11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.
12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Facility, the Respondent is alleged to have:

1. Failed to construct the Facility's wastewater treatment system in accordance with the design and construction specifications of the permit, in violation of 30 TEX. ADMIN. CODE §§ 305.144 and 305.69, and IHW Permit No. 50207, Provision II.A.1 and A.6, as documented during an investigation conducted on February 20, 2013. Specifically, the Respondent did not obtain approval prior to making construction changes while accepting and processing third-party waste.
2. Failed to store third-party wastes accepted for storage in units permitted for storage, in violation of 30 TEX. ADMIN. CODE § 335.2(b), 40 CODE OF FEDERAL REGULATIONS ("CFR") § 270.1(c), and IHW Permit No. 50207, provision V.A.1, as documented during an investigation conducted on February 20, 2013. Specifically, 51,784 pounds of hazardous and 34,750 pounds of Class 1 third-party waste were not stored in units that were permitted to accept wastes from third-party sources.
3. Failed to submit a complete and accurate annual waste summary, in violation of 30 TEX. ADMIN. CODE § 335.9(a)(2), as documented during an investigation conducted on February 20, 2013. Specifically, the submitted annual waste summary did not reflect the generation of wastewater.
4. Failed to conduct hazardous waste determinations and classifications, in violation of 30 TEX. ADMIN. CODE §§ 335.62 and 335.503, and 40 CFR § 262.11, as documented during an investigation conducted on February 20, 2013. Specifically, waste determinations and classifications were not conducted on two waste streams.
5. Failed to conduct daily inspections of the BUA, in violation of 30 TEX. ADMIN. CODE § 335.152, 40 CFR § 264.15, and IHW Permit No. 50207, Permit Provision III.D, as documented during an investigation conducted on February 20, 2013. Specifically, the Respondent did not conduct 12 daily inspections of the BUA after it was approved for storage on February 7, 2013.
6. Failed to conduct weekly inspections of a container storage area, in violation of 30 TEX. ADMIN. CODE §§ 335.69(a)(1)(A) and 335.112(a), and 40 CFR §§ 262.34(a)(1)(i) and 265.174, as documented during an investigation conducted on February 20, 2013. Specifically, weekly inspections were not conducted on the Notice of Registration Unit No. 220 for the weeks of April 12, 2012 and November 8, 2012.
7. Failed to provide a 24-hour surveillance system, to monitor and control entry into the Facility, in violation of 30 TEX. ADMIN. CODE § 335.152(a)(1), 40 CFR § 364.14(b)(1), and IHW Permit No. 50207, Provision III.C.1, as documented during an investigation conducted on February 20, 2013. Specifically, the Facility's gate was being left open and there was no camera system monitoring the gate as required by the permit.

III. DENIALS

The Respondent generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that the Respondent pay an administrative penalty as set forth in Section I, Paragraph 6 above. The payment of this administrative penalty and the Respondent's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: LONESTAR ECOLOGY LLC, Docket No. 2013-1275-IHW-E" to:

Financial Administration Division, Revenue Operations Section
Attention: Cashier's Office, MC 214
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088
2. The Respondent shall implement and complete three SEPs in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Eighteen Thousand Seven Hundred Fifty-Six Dollars (\$18,756) of the assessed administrative penalty shall be offset with the condition that the SEPs defined in Attachments A, B, and C, incorporated herein by reference, is implemented by the Respondent. The Respondent's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreements.
3. The provisions of this Agreed Order shall apply to and be binding upon the Respondent. The Respondent is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.
4. If the Respondent fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, the Respondent's failure to comply is not a violation of this Agreed Order. The Respondent shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. The Respondent shall notify the Executive Director within seven days after the Respondent becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.
5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by the Respondent shall be made in writing to the Executive Director. Extensions are not effective until the Respondent receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

6. This Agreed Order, issued by the Commission, shall not be admissible against the Respondent in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.
7. This Agreed Order may be executed in separate and multiple counterparts, which together shall constitute a single instrument. Any page of this Agreed Order may be copied, scanned, digitized, converted to electronic portable document format ("pdf"), or otherwise reproduced and may be transmitted by digital or electronic transmission, including but not limited to facsimile transmission and electronic mail. Any signature affixed to this Agreed Order shall constitute an original signature for all purposes and may be used, filed, substituted, or issued for any purpose for which an original signature could be used. The term "signature" shall include manual signatures and true and accurate reproductions of manual signatures created, executed, endorsed, adopted, or authorized by the person or persons to whom the signatures are attributable. Signatures may be copied or reproduced digitally, electronically, by photocopying, engraving, imprinting, lithographing, electronic mail, facsimile transmission, stamping, or any other means or process which the Executive Director deems acceptable. In this paragraph exclusively, the terms "electronic transmission", "owner", "person", "writing", and "written" shall have the meanings assigned to them under TEX. BUS. ORG. CODE § 1.002.
8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to the Respondent, or three days after the date on which the Commission mails notice of the Order to the Respondent, whichever is earlier.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

For the Commission


For the Executive Director

4/7/15
Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.


Signature

10/29/2013
Date

LARRY G. PEYTON
Name (Printed or typed)
Authorized Representative of
LONESTAR ECOLOGY LLC

CEO
Title

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenue Operations Section at the address in Section IV, Paragraph 1 of this Agreed Order.

Attachment A
Docket Number: 2013-1275-IHW-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	LONESTAR ECOLOGY LLC
Penalty Amount:	Thirty-Seven Thousand Five Hundred Twelve Dollars (\$37,512)
SEP Offset Amount:	Six Thousand Seven Hundred Fifty-Six Dollars (\$6,756)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Armand Bayou Nature Center
Project Name:	Coastal Tall Grass Management - Prescribed Burn Program and Prairie Restoration
Location of SEP:	Harris County

The Texas Commission on Environmental Quality ("TCEQ") agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for Respondent to contribute to a Supplemental Environmental Project ("SEP"). The offset is equal to the SEP amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment A.

1. Project Description

a. Project

Respondent shall contribute to the SEP offset amount to the Third-Party Administrator named above. The contribution will be to Armand Bayou Nature Center to be used for the Coastal Tall Grass Management-Prescribed Burn Program and Prairie Restoration Project Program as set forth in an agreement between the Third-Party Administrator and the TCEQ. Specifically, the contribution will be used to pay for the labor and materials costs associated with conducting prescribed burns, removing non-native trees, for planting native trees and plants, and administrative costs.

Respondent certifies that there is no prior commitment to conduct this project and that it is being performed solely in an effort to settle this enforcement action.

b. Environmental Benefit

LONESTAR ECOLOGY LLC
Agreed Order - Attachment A

This SEP will provide a discernible environmental benefit by increasing ecosystem functionality. It will contribute to the overall prairie health by suppressing invasive brush species, increasing soil fertility, and promoting plant vigor.

c. Minimum Expenditure

Respondent shall contribute at least the SEP amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, Respondent must contribute the SEP amount to the Third-Party Administrator. Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Armand Bayou Nature Center, Inc.
Attn: Mark Kramer, Stewardship Coordinator
P.O. Box 58828
Houston, Texas 77258

3. Records and Reporting

Concurrent with the payment of the SEP amount, Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP amount to the Third-Party Administrator. Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP amount.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

LONESTAR ECOLOGY LLC
Agreed Order - Attachment A

Litigation Division
Attention: SEP Coordinator, MC 175
Texas Commission on Environmental Quality
P.O. Box 13088
Austin, Texas 78711-3088

5. Publicity

Any public statements concerning this SEP made by or on behalf of Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

Attachment B
Docket Number: 2013-1275-IHW-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	LONESTAR ECOLOGY LLC
Penalty Amount:	Thirty-Seven Thousand Five Hundred Twelve Dollars (\$37,512)
SEP Amount:	Six Thousand Dollars (\$6,000)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Galveston Bay Foundation - “Marsh Mania”
Location of SEP:	Harris and Chambers Counties

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for Respondent to contribute to a Supplemental Environmental Project (“SEP”). The offset is equal to the SEP amount set forth above and is conditioned upon completion of the project in accordance with the terms of this Attachment B.

1. Project Description

a. Project

Respondent shall contribute the SEP offset amount to the Third-Party Administrator named above. The contribution will be to Galveston Bay Foundation to be used for the Galveston Bay Foundation “Marsh Mania” as set forth in the agreement between the Third-Party Administrator and the TCEQ. SEP monies will be used to restore shoreline elevations, growing plants for shoreline restoration, and planting new habitat. Historic subsidence and erosion have resulted in shoreline elevations which are too low to support vegetation. This project will seek to raise elevations by scraping and terracing. Scraping involves the use of earthmoving equipment to grade an eroded, bluff-like shoreline so that it slopes gradually towards the water resulting in the ability of plant growth. Terracing uses earth-moving equipment to create small levees by burrowing and stacking sediment in shallow water. The high elevation can then be planted with emergent vegetation. SEP monies will be used to pay for the costs of the execution of the project, including material, equipment, administrative, and labor costs.

Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action.

b. Environmental Benefit

This SEP will provide a discernible environmental benefit by providing food and shelter for a variety of native fish, shellfish, birds, and mammals. The marshes will also result in the reduction of pollution by filtering particulates and excess nutrients from runoff. In addition, the new habitat will protect shorelines from erosion and will help reduce the effects of flooding.

c. Minimum Expenditure

Respondent shall contribute at least the SEP amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, Respondent must contribute the SEP amount to the Third-Party Administrator. Respondent shall mail the contribution, with a copy of the Agreed Order, to:

Bob Stokes, President
Galveston Bay Foundation
17330 Highway 3
Webster, Texas 77598

3. Records and Reporting

Concurrent with the payment of the SEP amount, Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Amount to the Third-Party Administrator. Respondent shall mail a copy of the check and transmittal letter to:

Enforcement Division
Attention: SEP Coordinator, MC 219
Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If Respondent does not perform its obligations under this SEP in any way, including full payment of the SEP amount and submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the SEP amount.

LONESTAR ECOLOGY LLC
Agreed Order - Attachment B

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Texas Commission on Environmental Quality
Financial Administration Division, Revenues
Attention: Cashier, MC 214
P.O. Box 13088
Austin, Texas 78711-3088

Respondent shall also mail a copy of the check to the Enforcement Division SEP Coordinator at the address in Section 3 above.

5. Publicity

Any public statements concerning this SEP made by or on behalf of Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

Attachment C
Docket Number: 2013-1275-IHW-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	LONESTAR ECOLOGY LLC
Penalty Amount:	Thirty-Seven Thousand Five Hundred Twelve Dollars (\$37,512)
SEP Offset Amount:	Six Thousand Dollars (\$6,000)
Type of SEP:	Contribution to a Third-Party Pre-Approved SEP
Third-Party Administrator:	Bayou Land Conservancy <i>fka Legacy Land Trust</i>
Project Name:	Spring Creek Greenway Project
Location of SEP:	Harris or Montgomery Counties

The Texas Commission on Environmental Quality (“TCEQ”) agrees to offset a portion of the administrative penalty amount assessed in this Agreed Order for Respondent to contribute to a Supplemental Environmental Project (“SEP”). The SEP Offset Amount is set forth above and such offset is conditioned upon completion of the project in accordance with the terms of this Attachment C.

1. Project Description

a. Project

Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator named above. The contribution will be to the **Bayou Land Conservancy** for the *Spring Creek Greenway Project*. The contribution will be used in accordance with the SEP Agreement between the Third-Party Administrator and the TCEQ (the “Project”). Specifically, this SEP will focus on preserving multiple tracts of land comprising approximately 1,000 acres in the riparian corridor east of Farm-to-Market Road 2978 and west of U.S. Highway 59. The Third-Party Administrator shall use SEP funds to acquire conservation easements on these tracts to provide permanent protection and stewardship of these lands and waters. The Third-Party Administrator shall also use SEP funds to conduct restoration work, including tree plantings, on these tracts, as needed. All property acquired in whole or in part with SEP funds must be preserved in perpetuity through a conservation easement that complies with Subchapter A, Chapter 183, Texas Natural Resources Code. The holder of the conservation easement must be an entity that meets the definition of “holder” under section 183.001(2), Texas Natural Resources Code. Additionally, the holder of the conservation easement may not also be the owner of the property. The Third-Party Administrator shall use only conservation easements that are substantially similar to the conservation easement described in the SEP Agreement between Third-Party Administrator and TCEQ. The Third-Party

Administrator shall not use or set aside SEP funds for legal defense of these properties without prior written approval of the TCEQ.

The SEP will be performed in accordance with all federal, state, and local environmental laws and regulations.

Respondent's signature affixed to this Agreed Order certifies that it has no prior commitment to make this contribution and that it is being contributed solely in an effort to settle this enforcement action.

b. Environmental Benefit

The preservation of open space in the Spring Creek Greenway Project area provides substantial environmental, economic, and community benefits for the region. Spring Creek is on the State's 303(d) list for water quality impairment due to bacteria. The sandy banks of Spring Creek have frequently been stripped of their native vegetation, increasing erosion potential and reducing wildlife habitat. However, for such a highly populated area, northern Harris and southern Montgomery Counties are still heavily forested. Protecting this forested area's trees, understory and wetlands helps absorb fertilizer, roadway runoff, and animal fecal matter from the nearby highly populated areas. Bio-filtration through these vegetated areas protects Spring Creek from non-point source water pollution by slowing the flow of run-off and assisting particulates and their associated pollutants to settle. As pollutants settle out via washover through these forests, they are immobilized, decomposed and absorbed back into the soil, instead of running off into the waterway. By preserving the natural vegetated banks, turbidity is reduced, and source water for recreation and human consumption is protected from further degradation before reaching the San Jacinto River, which feeds Lake Houston, a primary water source for Houston. Having vegetated areas remain protected along this area, while also increasing tree plantings through this project, will help protect this waterway from contaminants. Finally, the linking of open space enhances the conservation value of this greenway project by reversing land fragmentation.

c. Minimum Expenditure

Respondent shall contribute at least the SEP Offset Amount to the Third-Party Administrator and comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, Respondent shall contribute the SEP Offset Amount to the Third-Party Administrator. Respondent shall mail the contribution, with a copy of the Agreed Order to:

Bayou Land Conservancy
Jennifer Lorenz, Executive Director
10330 Lake Road, Building J
Houston, Texas 77070

3. Records and Reporting

Concurrent with the payment of the SEP Offset Amount, Respondent shall provide the Enforcement Division SEP Coordinator with a copy of the check and transmittal letter indicating full payment of the SEP Offset Amount due to the Third-Party Administrator. Respondent shall mail a copy of the check and transmittal letter to:

Texas Commission on Environmental Quality
Enforcement Division
Attention: SEP Coordinator, MC 219
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If Respondent does not perform its obligations under this SEP agreement in any way, including full expenditure of the SEP Offset Amount and submittal of the required reporting described in Sections 2 and 3 above, the Executive Director ("ED") may require immediate payment of all or part of the SEP Offset Amount.

In the event the ED determines that Respondent failed to complete the project, Respondent shall remit payment for all or a portion of the SEP Offset Amount, as determined by the ED, and shall include on the check the docket number of this Agreed Order and note that it is for reimbursement of a SEP. Respondent shall make the check payable to "Texas Commission on Environmental Quality" and shall mail it to:

Texas Commission on Environmental Quality
Litigation Division
Attention: SEP Coordinator, MC 175
P.O. Box 13087
Austin, Texas 78711-3087

5. Publicity

Any public statements concerning this SEP made by or on behalf of Respondent, must include a clear statement that the Project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP Offset Amount identified in this Agreed Order has not been, and shall not be, included as a SEP for Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.